form of grant-in-aid upto 50% of the project cost in general areas and upto 75% of the project cost in special category States subject to a maximum of Rs. 50.00 crore or the cost of approved facilities, whichever is lower, for all implementing agencies including private sector. The scheme provides for establishment of 30 Mega Food Parks with MFPI financial assistance of Rs. 1500 crore during the Eleventh Five Year Plan.

Grants for development of food processing industries

4000. SHRI JESUDASU SEELAM: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Ministry has called for an Indian model that protected small stores and involved intermediaries while announcing a grant of Rs. 10 crore for the Eleventh Five Year Plan to promote food processing industries;

(b) whether the Ministry was confident that India would open up its 3.30 billion dollar retail market, after being convinced that Kirana stores would not be affected by the big players and for this, an in-depth study on the impact of foreign direct investment in food retail and domestic sector has been commissioned; and

(c) what are the steps Government proposed to take to improve the food processing industries during the Eleventh Five Year Plan?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) The Ministry of Food Processing Industries (MFPI) has no proposal for an Indian model that protected small stores and involved intermediaries. However, the Ministry has made a proposal of cold chain for financial assistance upto Rs. 10 crores for the Eleventh Five Year Plan to promote food processing industries. The Planning Commission has made an allocation of Rs. 4031 crores for implementation of various Plan schemes for the development of food processing industries in the Eleventh Plan.

(b) There is no proposal for opening up Foreign Direct Investment (FDI) in food retail. As per present Policy, retailing of local vegetables, fruits, grains etc. are open to Indian companies without any FDI. Government has instituted a study on the impact of organised retail by the Indian Council for Research on International Economic Relations (ICRIER).

(c) A Vision Document 2015 on Food Processing Industries has been finalized by the MFPI which envisages trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. An integrated strategy for promotion of agribusiness—Vision, Strategy and Action Plan for the Food Processing Sector has been approved for growth of Food Processing Sector.

As part of achieving the objectives of the Vision 2015, the Ministry has taken several initiatives in the Eleventh Plan for the promotion of food processing industries. It proposes to implement a revamped Scheme for Infrastructure Development, in the Eleventh Plan which envisages providing financial assistance for setting up of thirty Mega Food Parks in the country during Eleventh Five Year Plan period. The scheme which is project oriented, aims to provide a mechanism to bring together farmers, processors and retailers and link agricultural production to the market and the processing industry so as to ensure maximization of value addition, minimization of wastages and improving farmers' income. Mega Food Park envisages a well-defined agri/horticultural-processing zone containing state of the art

processing facilities with support infrastructure and well established supply chain. The primary objective of the scheme is to facilitate establishment of an integrated value chain, with processing at the core and supported by requisite forward and backward linkages. Under the scheme, financial assistance in the form of grant-in-aid upto 50% of the project cost in general areas and upto 75% of the project cost in special category states subject to a maximum of Rs. 50.00 crore or the cost of approved facilities, whichever is lower, has been envisaged for all implementing agencies. Under the Infrastructure Development Scheme, it is envisaged to give a grant of upto Rs. 10 crores for the Cold Chain, upto Rs. 50 crores for setting up of Mega Food Parks, and upto Rs. 15 crores for modernization of abattoirs.

Further, the Ministry of Food Processing Industries under its Plan Scheme for Technology upgradation/modernization/establishment of Food Processing Industries, extends financial assistance in the form of grant-in-aid @ 25% of the cost of Plant and Machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas to implementing agencies/entrepreneurs for setting up/modernization/technology upgradation of food processing industries. In the Eleventh Plan, it has also been proposed to continue assistance in the form of grant to private sector/ public sector organisations through schemes for setting up of Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), International Organization for Standardization (ISO) 9000, Good Hygiene Practices (GHP) and Good Manufacturing Practices (GMP), Promotion of Research and Development, Capacity Building and Human Resource Development and other promotional activities with higher levels of assistance.

Food processing units in Jharkhand

4001. MS. MABEL REBELLO: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) how many food processing units have been set up in Jharkhand under both the Government and the private sectors during the last three years, district-wise and food-item-wise, with the names of the food items that are processed;

(b) whether farmers get better prices of their products, on account of FPO; and

(c) if so, the details thereof, item-wise?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) Ministry of Food Processing Industries extends financial assistance in the form of grant-in-aid to implementing agencies/entrepreneurs @ 25% of the cost of Plant and Machinery and Technical Civil works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas for setting up/modernization/technology upgradation of food processing industries. Food Processing Industries are both in organized and unorganized sectors and as such data on food processing units in the country, including that of Jharkhand, is not centrally maintained. However, during the period from 2005-06 to 2007-08, seven applications claiming grant for setting up/expansion/modernization of Food Processing Industries in Jharkhand have been received in the Ministry. These units have been set up in Gumla, Ranchi, Hazaribagh, Kokar, Jamshedpur, Saraikela, Kharsawa districts of Jharkhand engaged in fruits and vegetables processing, dairy processing, processing of organic food products, etc.